



BANK INDONESIA REGULATION

NUMBER: 10/1/PBI/2008

CONCERNING

AMENDMENT TO BANK INDONESIA REGULATION NUMBER 8/5/PBI/2006

REGARDING BANKING MEDIATION

BY THE GRACE OF THE ALMIGHTY GOD

THE GOVERNOR OF BANK INDONESIA,

- Considering :
- a. whereas the implementation of banking mediation is needed for settling disputes between customers and banks which may harm the customers' interest and affect the bank's reputation if they are not properly addressed;
 - b. whereas a banking mediation institution that should have been established by banks' association for administering alternative dispute settlement through mediation cannot be realized yet;
 - c. whereas based on the considerations as intended in points a and b, it is deemed necessary to amend

Bank Indonesia Regulation regarding Banking Mediation;

- In view of :
1. Law Number 7 Year 1992 regarding Banking (State Gazette of the Republic of Indonesia Year 1992 Number 31, Supplement to the State Gazette of the Republic of Indonesia Number 3472) as amended by Law Number 10 Year 1998 (State Gazette of the Republic of Indonesia Year 1998 Number 182, Supplement to the State Gazette of the Republic of Indonesia Number 3790);
 2. Law Number 8 Year 1999 regarding Consumer Protection (State Gazette of the Republic of Indonesia Year 1999 Number 42, Supplement to the State Gazette of the Republic of Indonesia Number 3821);
 3. Law Number 23 Year 1999 regarding Bank Indonesia (State Gazette of the Republic of Indonesia Year 1999 Number 66, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as amended by Law Number 3 Year 2004 (State Gazette of the Republic of Indonesia Year 2004 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4357);

4. Law Number 30 Year 1999 regarding Arbitration and Alternative Dispute Settlement (State Gazette of the Republic of Indonesia Year 1999 Number 138, Supplement to the State Gazette of the Republic of Indonesia Number 3872);
5. Bank Indonesia Regulation Number 7/7/PBI/2005 regarding Settlement of Customers' Complaints (State Gazette of the Republic of Indonesia Year 2005 Number 17, Supplement to the State Gazette of the Republic of Indonesia Number 4476);
6. Bank Indonesia Regulation Number 8/5/PBI/2006 regarding Banking Mediation (State Gazette of the Republic of Indonesia Year 2006 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4601);

HAS DECIDED:

To stipulate : BANK INDONESIA REGULATION REGARDING
AMENDMENT TO BANK INDONESIA REGULATION
NUMBER 8/5/PBI/2006 REGARDING BANKING
MEDIATION.

Article I

Several provisions in Bank Indonesia Regulation Number 8/5/PBI/2006 regarding Banking Mediation (State Gazette of the Republic of Indonesia Year 2006 Number 7, Supplement to the State Gazette of the Republic of Indonesia Number 4601) shall be amended so as to read as follows:

1. Provisions of Article 3 paragraph (2) shall be deleted so that Article 3 shall read as follows:

Article 3

- (1) Mediation in the field of banking shall be performed by an independent banking mediation institution established by banks' association.
 - (2) Deleted.
 - (3) In performing its duties, the independent banking mediation institution shall establish coordination with Bank Indonesia.
 - (4) As long as the independent mediation banking institution as intended in paragraph (1) has not been established yet, the banking mediation function shall be assumed by Bank Indonesia.
2. Provisions of Article 15 shall be amended so that Article 15 shall read as follows:

Article 15

Requests for dispute settlement as intended in Article 8 shall be filed to the Directorate of Banking Investigation and Mediation, Bank Indonesia, at Jalan M. H. Thamrin Number 2, Jakarta 10350.

Article II

This Bank Indonesia Regulation shall come into force as from the date of its stipulation.

For public cognizance, hereby ordering the promulgation of this Bank Indonesia Regulation by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On January 29, 2008

Promulgated in Jakarta

On January 29, 2008

THE GOVERNOR OF BANK INDONESIA,

MINISTER OF LAW AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA

[Signed]

[Signed]

ANDI MATTALATTA

BURHANUDDIN ABDULLAH

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2008 NUMBER 10

DPNP/DPbS/DPBPR

BANK INDONESIA



ELUCIDATION

ON

BANK INDONESIA REGULATION

NUMBER: 10/1/PBI/2008

REGARDING AMENDMENT TO BANK INDONESIA REGULATION

NUMBER 8/5/PBI/2006 REGARDING BANKING MEDIATION

GENERAL

Banking mediation as an alternative banking dispute settlement is a simple, affordable and fast method for solving problems arising between customers and banks. In addition, the mediation results constituting an agreement between customers and banks are deemed as a form of effective problem solving because both the customers' interest and the banks' reputation can be maintained.

Banking mediation should ideally be performed by the banking industry itself, which in this regard it can be represented by banks' association. However, the establishment of a banking mediation institution which will accommodate the implementation of banking mediation as mandated by Bank Indonesia Regulation Number 8/5/PBI/2006 regarding Banking Mediation cannot be realized yet due to obstacles related to funding and human resources. Considering that the implementation of banking mediation is really needed for protecting the public

interest in conducting financial transactions through banks, hence temporarily, the function of banking mediation will still be assumed by Bank Indonesia.

ARTICLE BY ARTICLE

Article I

Sub-article 1

Article 3

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Bank Indonesia shall conduct banking mediation activity only and shall not establish a special institution for such purpose.

Sub-article 2

Article 15

Self-explanatory.

Article II

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA
NUMBER 4808